



*Office of the Chief Procurement Officer*

## **U.S. Department of Housing and Urban Development**

New York Field Contracting Operations  
26 Federal Plaza, Room 35-120  
New York, NY 10278  
<http://www.hud.gov/cts/ctshome.html>

**July 07, 2000**

**REQUEST FOR PROPOSAL (RFP) NUBMER**  
**CLOSING DATE:**  
**CLOSING TIME::**

**R-NYC-00692**  
**August 18, 2000**  
**3:00pm Eastern Standard Time**

Dear Prospective Bidder:

The enclosed Request for Proposal (RFP) is for Real Estate Closing Services for single family properties in New York State. The complete list of counties is found in Section B. One contract shall be awarded The Contractor shall either have or shall open an office acceptable to HUD in the contract area. Enclosed are the specifications. The contract will be under the jurisdiction of the Philadelphia Homeownership Center.

This is a **TOTAL SMALL-BUSINESS SET-ASIDE**. The Standard Industrial Classification (SIC) Code is **8111**. The size standard is **\$5,000,000.00**. The contract is for a period of one year with two additional one year options.

Since New York State Law requires all closings to be conducted by an attorney, both the Contracting Officer and the Government Technical Representative have determined that the references to Third Party Closings found in the Contract do not apply when the closing is actually conducted by HUD's Closing Attorney and the Contractor performs all specified duties.

The RFP is structured in accordance with the Uniform Contract Format required by the Federal Acquisition Regulation (FAR). Identified below are the Sections that **must** be completed:

1. **SF-33-** Solicitation, Offer and Award. The Offer Section must be completed and signed by an authorized representative of your company.
2. **SECTION B**, Supplies or Services and Prices/Costs.
3. **SECTION G**, Contractor's Key Personnel.
4. **SECTION K**, Representations, Certifications and Other Statements of Offerors. This section **must** be completed and signed by an authorized representative of your company.

Section L. , Instructions, Conditions, and Notices to Offeror. Paragraph L. 1 specifies what must be submitted

If we may be of further assistance, please contact Luz C. Maitland at 212-264-8000, ext.3311.

Sincerely,

Edwin T. Steffek,  
Contracting Officer

<b>SOLICITATION, OFFER AND AWARD</b>		1. THIS CONTRACT IS A RATED) ORDER UNDER DPAS (15 CFR 700)		RATING	PAGE 1 OF 60 PAGES	
2. CONTRACT NO.		3. SOLICITATION NO.  <b>R-NYC-00692</b>		4. TYPE OF SOLICITATION <input type="checkbox"/> SEALED BID (IFB) <input checked="" type="checkbox"/> NEGOTIATED (RFP)		5. DATE ISSUED  7/7/00
7. ISSUED BY: CODE				8. ADDRESS OFFER TO (If other than Item 7)		
<b>U.S. DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT</b> <b>NEW YORK CONTRACTING DIVISION - ROOM 35-120</b> <b>26 FEDERAL PLAZA</b> <b>NEW YORK, NEW YORK 10278</b>						

NOTE: In sealed bid solicitations, "offer" and "Offeror" mean "bid" and "bidder".

<b>SOLICITATION</b>			
9. Sealed offers in <b>original</b> and <b>4</b> copies for furnishing the supplies or services in the schedule will be received at the place specified in Item 8, or if handcarried, in the depository located in <b>26 FEDERAL PLAZA - ROOM 35-120</b> until <b>3:00 PM</b> local time <b>08/18/00</b>			
(Hour) (Date)			

CAUTION - LATE Submissions, Modifications, and Withdrawals: Section L, Provision No. 52.214-7 or 52.215-1.  
All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL:	A. NAME <b>LUZ C. MAITLAND</b>	B. TELEPHONE NO. (Include area code) (NO COLLECT CALLS) <b>(212)264-8000, x3311</b>
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11. TABLE OF CONTENTS							
(X)	SEC.	DESCRIPTION	PAGE(S)	(X)	SEC.	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
X	A	SOLICITATION/CONTRACT FORM	1	X	I	CONTRACT CLAUSES	7
X	B	SUPPLIES OR SERVICES AND PRICES/COST	2	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH			
X	C	DESCRIPTION/SPECS/WORK STATEMENT	9	X	J	LIST OF ATTACHMENTS	20
X	D	PACKAGING AND MARKING	1	PART IV - REPRESENTATIONS AND INSTRUCTIONS			
X	E	INSPECTION AND ACCEPTANCE	1	X	K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	7
X	F	DELIVERIES OR PERFORMANCE	2	X	L	INSTRS., CONDS., AND NOTICES TO OFFERORS	4
X	G	CONTRACT ADMINISTRATION DATA	2	X	M	EVALUATION FACTORS FOR AWARD	2
X	H	SPECIAL CONTRACT REQUIREMENTS	2				

<b>OFFER (Must be fully completed by offeror)</b>					
NOTE: Item 12 does not apply if the solicitation includes the provision at 52.214-16, Minimum Bid Acceptance Period					
12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.					

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-8)		10	CALENDAR DAYS	%	20	CALENDAR DAYS	%	30	CALENDAR DAYS	%	CALENDAR DAYS
14. ACKNOWLEDGEMENT OF AMENDMENTS (The offeror acknowledges receipt of the amendments to the SOLICITATION for offerors and related documents numbered and dated:		AMENDMENT NO.		DATE		AMENDMENT NO.		DATE			
15A. NAME AND ADDRESS OF OFFEROR TAX ID: DUNS NO.		CODE	FACILITY		16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)						
15B. TELEPHONE NO. (Include area code)		15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE		17. SIGNATURE		18. OFFER DATE					

<b>AWARD (To be completed by Government)</b>					
19. ACCEPTED AS TO ITEMS NUMBERED		20. AMOUNT		21. ACCOUNTING AND APPROPRIATION	
22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION <input type="checkbox"/> 10 U.S.C.2304 (c) ( ) <input type="checkbox"/> 41 U.S.C. 253(c) ( )		23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)		ITEM	
24. ADMINISTERED BY (If other than Item 7)		CODE		25. PAYMENT WILL BE MADE BY CODE	
26. NAME OF CONTRACTING OFFICER (Type or print)		27 UNITED STATES OF AMERICA  (Signature of Contracting Officer)		28 AWARD DATE	

## **SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS**

### **B-1. SERVICES**

This contract shall provide real estate property sales closing services for single-family (one to four units) properties owned by the U. S. Department of Housing and Urban Development (HUD) located in the following counties of New York State: Albany, Broome Cayuga, Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess, Essex, Franklin, Fulton, Greene, Hamilton, Herkimer, Jefferson, Lewis, Madison, Montgomery, Oneida, Onondaga, Oswego, Otsego, Rensselaer, St Lawrence, Saratoga, Schenectady, Schoharie, Sullivan, Tioga, Tompkins, Ulster, Warren and Washington.

### **B-2. AS 106 - CONTRACT DEFINITION--INDEFINITE-QUANTITY/FIXED-UNIT-RATE (NOV 1997)**

This is an Indefinite-Quantity Contract as defined at Subpart 16.504 of the Federal Acquisition Regulation (FAR) and in clause FAR 52.216-22, Indefinite-Quantity, herein. Services provided by the contractor under this contract shall be secured by the issuance of task orders placed in accordance with the following clauses: FAR 52.216-18, Ordering; FAR 52.216-19, Order Limitations, and the clause AS 1102, Ordering Procedures.

### **B-3. AS 108 - MINIMUM/MAXIMUM ORDERING FOR INDEFINITE QUANTITY CONTRACTS (SERVICES OR SUPPLIES) (NOV 1997)**

- a. The Government shall order a minimum of 50 closings under this contract per year.
- b. The Government does not guarantee a maximum quantity. However, the maximum number of closings to be ordered shall not exceed 1500 per year.

### **B-4. ADDITIONAL FEES**

The unit price per closing set forth in the Pricing Schedule is inclusive of all services and preparation of all documents required by any party to the closing, including any loan documents required by any lender. The Contractor may not collect from any party, any fees for services or documents required hereunder and associated with closings conducted under the contract above and beyond the unit price set forth in the Pricing Schedule. The only exceptions are (1) direct sales under the Officer Next Door/Teacher Next Door (OND/TND) programs where the Contractor is required to prepare and record a second mortgage and note on behalf of HUD, or (2) if the purchaser or purchaser's lender demands additional services, such as title examinations and/or insurance, outside of the contract duties, and such services are performed by the Contractor, the Contractor must look outside of this contract for payment for those services. The Contractor shall not add any fee to the cost of any customary closing services paid by the Closing Agent on behalf of HUD or the buyer.

### **B-5. INTEREST INCOME**

In no case shall the Contractor be authorized to earn any interest income (such as escrow account interest float income) as a result of services provided under this contract.

### **B-6. ALLOWABLE CLOSING EXPENSES**

- a. The Contractor shall pay only those costs determined to be reasonable and customary for the local real estate market area. The expenditures listed below, as herein qualified, shall be paid at time of closing by the Contractor from HUD's sales proceeds. In the event that sales proceeds are insufficient to pay all allowable expenses, the Contractor shall advance payment for any excess expenses and request reimbursement from HUD through the submission of an invoice (see Section G).
  - (1) **Closing/Financing Costs:** Pay actual closing/financing costs that are reasonable and customary for the area(s) covered by the contract (e.g. credit reports, inspection service fees, title search, title exam, surveys, etc.), not to exceed the amount specified on line 5 of the Sales Contract (HUD-9548) (Attachment 1). Closing cost credits are not to be lumped into one line item on the HUD-1. The amount for each item must be reflected on the appropriate line of the HUD-1 and the total amount of closing/financing costs must not exceed the amount specified on line 5 of the Sales Contract, if applicable.

- (2) **Broker Commissions:** Pay the amount(s) shown, if any, on lines 6a (Broad Listing Broker Commission) and 6b (Real Estate Broker Commission) of the Sales Contract.
- (3) **Wire Transfer Fee:** Charge the actual cost for the wire transfer of sales proceeds to HUD and include it with settlement charges to the seller on line 502 of the HUD-1 and deduct the cost from the sales proceeds due HUD. **NOTE: Do not deduct the wire fee from the amount reflected on line 5 of the Sales Contract, if applicable.**
- (4) **Unpaid Real Estate Taxes, Liens, Association Fees and Ground Rents:** Identify and verify in advance of the scheduled closing any amounts related to these items which are owed by HUD. Pay these amounts prorated to the date of closing.
- (5) **Local/State Transfer Tax:** The Government is exempt from paying local/state transfer taxes. In those areas where the seller is required to pay a transfer tax, the Contractor shall prepare and file the appropriate tax exempt form. In cases where the purchaser is liable for the transfer tax or a portion thereof, such an expense is allowable under the amount specified on line 5 of the Sales Contract, if any.
- (6) **Deed Recordation:** Unless the purchaser has requested HUD to pay the recordation fee (line 5 of the Sales Contract) collect from the purchaser the appropriate amount for such fee.

#### **B-7. PRICING SCHEDULE**

- a. As total compensation for all services performed in accordance with the terms and conditions of this contract, the Contractor shall be paid according to the fixed unit price listed below for closings conducted by the Contractor:

##### **New York State**

Performance Period	Unit	Minimum	Maximum	Est. Quantity*	Estimated Total Cost Per Closing
Base Year	Ea.	50	1500	1250	\$
Option Year One	Ea.	50	1500	1250	\$
Option Year Two	Ea.	50	1500	1250	\$

\*Estimated quantities are provided for evaluation purposes only and shall not obligate HUD to any quantities other than the minimum stated under B-3. "Minimum/Maximum Quantity".

- b. **Third Party Closings:** For third party closings at which the Contractor physically represents HUD, the Contractor shall be paid fifty percent (50%) of the fixed unit price per closing as set forth above. Such closings shall be conducted during normal business hours.
- c. **Aborted Closings:** Should a sale not close, despite good faith efforts by the Contractor, the Contractor shall be paid twenty-five percent (25%) of the fixed unit price per closing as set forth above. An aborted closing is one that does not close with the same buyer.
- d. **OND/TND Direct Sale Programs:** For closings assigned which involve the OND/TND Direct Sale Program, Contractor shall be paid an additional fee of **\$75.00**, in addition to the fixed unit price reflected in B-7 a. above. This fee shall only apply where the Contractor is required to prepare and record a Second Mortgage and a Second Lien Mortgage Note in accordance with the requirements contained in Section C. This additional fee shall be reflected as a separate line item on the HUD-1 as a charge to the Seller with the notation "OND/TND 2<sup>nd</sup> Mortgage & Note Fee". This additional fee shall remain the same during the life of this contract. (see c3. 22)

## SECTION C - DESCRIPTION/SPECS/WORK STATEMENT

### C-1. DEFINITIONS

"**AUCTION SALES**" - Individual properties that are bid on separately.

"**BULK SALES**" - Five (5) or more properties sold as a package.

"**CLOSING**" or "**SALES CLOSING**" - The execution, at an approved office (as described below) of all documents necessary to close the transaction. This includes the investigation made on behalf of HUD to determine proper execution, acknowledgment, and delivery of all conveyances, mortgage papers, and other title instruments which may be necessary to the consummation of the sales transaction and includes, but is not limited to, any proration of costs between the purchaser and HUD, the passing of consideration, the proper disbursement of all proceeds, and all necessary papers being properly filed of record. Closing papers may be sent by courier, mailed, or express mailed for buyer's signatures at the purchaser's expense under special circumstances with the written permission of the GTR. Where financing is involved, written approval from the lender must also be obtained. Documents signed by purchaser outside of the Closing Agent office must be notarized.

As used herein, the word "**OFFICE**" is defined as a place of business, **located within the contract area** subject to HUD approval. (Office must be established within 15 days of contract award.) Within this place of business, at least one employee, who is a covered employee on the national surety bond, must be available throughout the business day to carry out the functions of the office, as clarified above.

"**CONTRACT**" - A mutually binding legal relationship obligating the seller to furnish the supplies or services and the buyer to pay for them.

"**CONTRACTING OFFICER**" - The person with the authority to enter into, administer, make changes to, and/or terminate contracts and make related determinations and findings.

"**FHA**" - Federal Housing Administration

"**GTM**" - Government Technical Monitor

"**GTR**" - Government Technical Representative

"**HUD**" - U. S. Department of Housing and Urban Development. The terms "Department of Housing and Urban Development", "HUD", and "Government" shall be synonymous and may be used interchangeably in this contract.

"**DAY**" - Unless otherwise specified, means business day.

"**KEY PERSONNEL**" - For this contract are defined as the office manager, alternate office manager, and any person(s) responsible to perform and oversee document preparation. Additionally, the person responsible for the contract and anyone who may make decisions on his/her behalf (i.e. President, Legal Assistant, etc.) should be considered as key personnel.

"**MANAGEMENT AND MARKETING CONTRACTOR (M&M)**" -- The company under contract with HUD to manage and market single family properties owned by, or in the custody of, the Department. The M&M Contractor handles all day-to-day activities concerning the HUD inventory and will generally be the party designated to act on behalf of the Department with regard to sales closings. Therefore, where the contract specifies "HUD/HUD's Designee", it is the current M&M Contractor for the geographic area(s) covered by the contract who will serve as HUD's Designee.

### C-2. DESCRIPTION

- a. This is a contract to provide sales closing services for single family (one to four units) properties owned by HUD. HUD's objective is to provide accessibility to all HUD clients through an equitable dispersal of areas in which to close. With this intent, this contract will be awarded to accommodate the specific geographic area(s) described in Section B-1., SERVICES. (NEW YORK STATE)

- b. In accordance with the terms of this contract, the Contractor is required to close any sales transaction assigned by HUD/HUD's Designee. All closings shall be conducted by the Contractor or the Contractor's Key Personnel **in person** with the purchaser or the purchaser's authorized representative. Closings **MAY NOT** be conducted by mail, fax, telephone or any other means.
- c. The primary objectives of this contract are to ensure that:
  - (1) The sale of all properties assigned under the contract close within the time stipulated by the Sales Contract.
  - (2) The accurate payments of all closing charges are made **within three (3) to five (5) business days**.
  - (3) The net proceeds of each sale are deposited to a non-interest bearing escrow account and the proceeds are wire transferred via FEDWIRE to HUD's account with the U.S. Treasury **on the day of closing or the next banking day**.
  - (4) The complete and accurate closing package is delivered to HUD/HUD's Designee within **two (2) business days** of closing.

### **C-3. WORK ASSIGNMENT**

- a. HUD/HUD's Designee will make closing assignments to the Contractor through the issuance of task orders. Orders may be placed in writing, by FAX, or orally by HUD/HUD's Designee or other person(s) specifically designated in writing by the GTR (see Section G). Telephone orders will be confirmed by a written task order **within five (5) calendar days**.
- b. Within **five (5) calendar days** of an accepted Sales Contract (HUD-9548), HUD's Designee will provide HUD's Closing Agent with all necessary pertinent sales documents in sufficient time to permit preparation for closing. The documents include, but are not limited to:
  - (1) Cover Letter providing FHA case number, property address, date of property acquisition and any other pertinent information;
  - (2) A copy of the executed Sales Contract (HUD-9548), with any addendum;
  - (3) Title Evidence, when available. **NOTE**: If the title evidence from acquisition is not available at the time of the initial assignment, it shall be forwarded under separate cover when it becomes available. Mortgagees are allowed 45 days from the date a deed is recorded in the Secretary's name to submit the required title evidence/policy to HUD for review. Therefore, such title evidence shall not always be available at the time a case is assigned to the Contractor. Upon assignment of a case, the Contractor shall be provided with the title evidence received when such information is available. At a minimum, the Contractor shall be provided with the date of acquisition (the date the deed was recorded in the Secretary's name).
  - (4) Documentation regarding rents due to HUD (when the purchaser is HUD's tenant);
  - (5) Bulk sales listing or auction listing (if applicable);
  - (6) Any special closing requirements;
  - (7) Copy of the HUD-27011 Part A of Claim (Attachment 2) which includes the legal description of the property;
  - (8) Available tax and/or assessment information

(9) HOA Association bills, utility bills, etc., if any.

c. **Contract Duties:** The Contractor shall furnish the necessary services, personnel, material, equipment, and facilities to complete all of the following services within the time frames specified herein:

- (1) **Case Files:** Establish individual property files and maintain in numerical sequence by FHA case number, or establish a cross-reference system whereby each case is readily identified by FHA case number. Include the purchaser's name and address.
- (2) **Courier Service:** The Contractor shall provide daily courier service in order to obtain new closing assignments and for the delivery of complete closing packages. This service shall be used for all closings regardless of where they take place. **Mailing of closing packages via regular mail is unacceptable.** Contractor may elect the use of an express mail service which guarantees delivery on the date requested as a "courier" service, but any late deliveries resulting from the use of such services are at the risk of the Contractor who shall be subject to liquidated damages for any late deliveries. This service shall be used for all documents covered under this contract except those which are permitted to be sent via facsimile.
- (3) **Schedule Closings:** Coordinate with purchaser, broker, and if appropriate, mortgagee, to establish a firm closing date on or before the date specified on line 9 of the Sales Contract. **With ten (10) calendar days** notice from buyer, the Contractor shall not deny a requested closing date based on schedule conflicts unless the number of scheduled closings for the date requested exceeds the stated workload capacity herein (including third party closings).

When contacted to schedule a third party closing, the Contractor shall forward a cover letter which informs the third party closer what HUD's requirements and time frames are and which clarifies what documents the HUD Closing Agent will prepare and bring to closing (e.g. deed).

- (4) **Title Search:** Contractor shall perform a "lien and judgment" full title search in order to provide HUD with any information concerning title issues that would prevent HUD from conveying **clear and marketable title** to purchasers. Such searches shall cover the preceding ten (10) years from the scheduled date of closing. (NOTE: HUD does not require a title policy; only a search.) Contractor shall perform a tax search and a title examination, including the land, judgment and tax records, and any other records which may contain information which affects the title or may reflect a lien, encumbrance or defect on the title. The Contractor shall work in conjunction with HUD/HUD's Designee to resolve any problems such as defects, liens or encumbrances on the title, prior to closing. Closings shall not take place until all such defects, liens or encumbrances on title are resolved so that HUD is able to provide clear and marketable title to the purchaser. The cost of this 10-year search shall be reflected as a seller's expense on the HUD-1.

**NOTE:** The information obtained as a result of this 10 year search is HUD's property and shall be maintained by the Contractor in accordance with the requirements of this contract. With the exception of HUD/HUD's Designee, the Closing Agent shall not release this information to any party outside of this contract nor shall this information be used by any party for services not specifically covered by this contract (e.g. title insurance).

- (5) **HOA/Condominium Documents:** The Contractor shall be responsible for obtaining any Homeowner Association or Condominium Association documents that may be required by local law. The Contractor shall also be responsible for ensuring that such documents are provided to the purchaser either at the time of closing or prior to closing in accordance with local law. The actual cost of such Association documents shall be noted as a seller's expense on the HUD-1, with the notation "HOA/Condo documents". A copy of such documents must be maintained in the property case file.
- (6) **Tracking Closing Deadlines:** Contractor shall send letters to:
  - (a) Purchaser and broker **fifteen (15) calendar days** prior to sales contract closing deadline if a firm closing date has not been established, with a copy to HUD/HUD's Designee.

- (b) Purchaser and broker within **one (1) business day** advising that the closing deadline has passed and that the broker should contact HUD/HUD's Designee for additional instructions, with a copy to HUD/HUD's Designee.
- (c) For any closing that does not take place within the time frame stipulated by the Sales Contract, and for which no extension request was submitted, the Contractor shall return the Sales Contract to HUD/HUD's Designee on the **first business day** after the Sales Contract deadline date, via courier/express mail to ensure receipt on the **second business day**.

**NOTE:** Under no circumstances is an extension beyond the established closing deadline to be granted without an approved extension request. If a case is not closed by the scheduled date and an extension was not granted, the deed shall be returned to HUD/HUD's Designee within **one (1) business day**, together with a statement describing the actions taken to close the sale and a copy of the letter to the purchaser.

- (7) **Deeds:** Prepare Special Warranty Deed and any other locally required documents that require signature (e.g. local tax transfer affidavits) and forward to HUD/HUD's Designee, via courier/express mail, for execution **ten (10) business days** prior to the scheduled closing. HUD/HUD's Designee shall return the signed deed (and other documents) to the Closing Agent no sooner than **five (5) calendar days** prior to the scheduled closing. HUD holds the Contractor responsible for accurate preparation of deeds and any other required documents.

NOTE: Deeds shall be voided and returned to HUD/HUD's Designee if the closing does not take place within **seven (7) calendar days** of execution of the Special Warranty Deed.

- (8) **Rentals:** Verify that all rental money due HUD has been paid outside settlement if the purchaser is HUD's tenant. If any due amounts have not been paid, ensure such payment is made prior to title changing hands.
- (9) **Extension Requests:** Contractor shall administer all requests from brokers for extensions of sales closing deadlines. Requests must be submitted in writing, on the appropriate form (Attachment 3), and must be accompanied by the full non-refundable fee (either cashier's or certified check or money order) in accordance with the fee schedule established by HUD/HUD's Designee for the geographic area. Upon receipt of an extension request, accompanied by the appropriate fee:
  - (a) The Contractor shall forward a copy of the request (not the check/money order) to the M&M Contractor for approval/denial, via facsimile, **within twenty-four (24) hours of receipt**.
  - (b) HUD/HUD's Designee shall approve or deny the request in accordance with HUD's regulations by completing Part II of the request form and returning the request, via facsimile, to the Contractor, **within twenty-four (24) hours**.
  - (c) If approved, the Contractor shall immediately advise the sales broker accordingly and deposit the certified check/money order into the Contractor's escrow account until closing.
  - (d) If denied, the Contractor shall return the extension request and fee to the broker **within twenty-four (24) hours** of denial, with instructions that the sale must close on or before the date reflected on the Sales Contract.
  - (e) At closing, purchaser is to be credited with any unused portion of the fee, computed on a daily basis, if applicable.
  - (f) Include the full amount of any extension fees collected on lines 104 and 404 of the HUD-1. If the purchaser is credited with any portion of the extension fee, include the credited amount on lines 206 and 506 of the HUD-1.



**HUD Delays:** For cases where a closing is delayed due to title-related issues and closing cannot take place within the required time frames due to such delays, HUD's Closing Agent shall prepare and Extension Request form, documenting the reason(s) for the delay and the length of the delay, and forward the request to HUD's Designee as outlined above for approval. Under such circumstances, it would not be the responsibility of the purchaser to request an extension.

- (10) **Third Party Closings:** The Contractor, or Key Personnel, shall physically represent HUD at all closings being conducted by a third party. As stated in Section B-8. B., the Contractor shall only receive fifty percent (50%) of the fixed unit price per closing as set forth in Section B-8. a. for third party closings. For such closings, the Contractor's responsibilities are as follows:
- (a) Forward letter to third party closer outlining HUD's requirements and time frames.
  - (b) Perform 10 year search on HUD's behalf (as outlined under C-3. c. (4)).
  - (c) Prepare deed and forward for signature (as outlined under C-3. c. (7)).
  - (d) Ensure that the HUD-1 is accurate.
  - (e) Upon receipt of the sales proceeds from third party, deposit funds into HUD's escrow account and wire transfer the funds to HUD's Treasury account on the day the funds are received or the next banking day. Submit original wire receipt to HUD/HUD's Designee within twenty four hours of wire date.
  - (f) Ensure that deed is recorded. Obtain recording information/receipt from third party for submission with closing package OR submit within twenty four hours of receipt from the third party.
  - (g) Forward closing package (as outlined under C-3. c. (13)) to HUD/HUD's Designee to be received no later than the second business day after closing.
  - (h) The Contractor shall ensure that any problems encountered with the third party closing are clearly address as part of the HUD Closing Agent's certification (as outlined under C-3. c. (13) (e)).
- (11) **At closing:**
- (a) Explain all closing papers and documents to the purchaser(s).
  - (b) **HUD-1:** Complete and execute the Settlement Statement (HUD-1) in the block indicated for Closing Agent. The Closing Agent shall sign the HUD-1 for HUD as the Closing Agent (not the seller). Since accurate completion of the HUD-1 is essential to timely processing, the Contractor shall use an automated closing process software package available commercially or develop such a package so as to substantially reduce errors. This package helps to eliminate the need for a review of the HUD-1 prior to closing.
  - (c) **Other Documents:** Complete and execute all documents necessary to provide a complete closing (e.g. deed, note and mortgage or deed of trust, tax affidavit, etc.).
  - (d) **Recording Fee:** Unless payable by HUD, collect recording fees from purchaser and record the deed. UNDER NO CIRCUMSTANCES SHALL THE RECORDING OF THE DEED BE LEFT TO THE PURCHASER.
  - (e) **Sale Proceeds:** Accept only a certified or cashier's check made payable to the Contractor.
  - (f) **Wire Transfer Fee:** Record the wire transfer fee on Line 1305, Additional Charges, of the HUD-1. Include this same fee on Line 502 of the HUD-1.
  - (g) **Payment of Taxes and Assessments:** Provide tax certificate or similar documentation to prove taxes have been paid. This documentation shall be submitted with the closing package.
  - (h) **Allowable Closing Expenses:** From HUD's sales proceeds, pay any allowable closing expenses previously identified which are due and payable at the time of closing. Unpaid property taxes, condo fees, HOA fees, ground rents and utility bills for the current year must be prorated and

paid at the time of closing. HUD/HUD's Designee must be kept fully informed of these transactions.

(12) **After closing:**

- (a) **Deposit Sales Proceeds and Wire Transfer to HUD's Account:** On the day of closing or the next banking day, deposit the sales proceeds and using the SAMS 1103, Wire Transfer Transmittal (Attachment 4), initiate the wire transfer of the proceeds due HUD via FEDWIRE in accordance with instructions provided by Treasury (Attachment 5) and presently being used by the private sector banking community in effecting wire transfers of funds within the Federal Reserve System. "Banking Day" is defined as prior to the bank processing cut-off time on a day in which the bank is open and transacting business.
- (b) **Wire Transfer Confirmation:** Obtain the bank's dated confirmation of the wire transfer and verify that the correct amount of sales proceeds as shown on the HUD-1, Settlement Statement, was wire transferred via FEDWIRE to HUD using the correct FHA case number. If funds are transferred by means other than FEDWIRE, due to electrical malfunction, the Contractor must obtain typed verification with bank teller date stamp and initials.
- (c) **Bulk Sales:** For bulk sales, complete the Bulk Sales Listing provided and forward (or fax) a listing showing the FHA case number and section of the Act Code, the property address, and the net sales proceeds for each property included in the sales. Forward list to HUD/HUD's Designee and to the following address: HUD, Attn: Real Property Branch, P.O. Box 44813, Washington, DC 20026-4813.
- (d) **Deed Recordation:** On the **day of closing or the next business day**, file the deed for record and provide the following entities with written certification of the filing, with copies to HUD/HUD's Designee:
  - (i) Selling broker (unless present at closing);
  - (ii) Taxing Authorities;
  - (iii) Local code enforcement agencies; and
  - (iv) Ground rent holders, HOA or Condo Associations and Utility companies.

(13) **Closing Package:** For each case assigned, the complete closing package must be delivered to HUD/HUD's Designee no later than the **second business day** after the date of closing via courier/express mail. A complete closing package must include **ALL** of the following:

- (a) The original HUD-1 plus one copy;
- (b) A copy of a tax certificate or locally accepted proof that taxes were paid;
- (c) The **original** dated Wire Transfer confirmation;
- (d) A copy of the Special Warranty Deed; and
- (e) The Contractor's certification that all payments and deductions from the closing (including the Contractor's fee) have been paid from the funds deposited in the escrow account containing the closing proceeds, and a statement that all actions have occurred on time and no liquidated damages should be assessed or an estimation by the Contractor of liquidated damages the Contracting Officer would normally assess based on the formulas reflected herein and the number of days the submission is delinquent. The statement should also include any potential mitigating factors why the Contracting Officer should not assess the damages. The GTR will review and forward to the Contracting Officer for the final determination to assess liquidated damages.

In the event that liquidated damages are assessed, the Contractor shall submit his/her payment to the Government by check for the amount of such damages to the HUD GTR with a cover letter identifying the FHA case number and property address of the package(s) subject to liquidated damages.

For third party closings, where HUD's Closing Agent is not in control of the paperwork and sales proceeds, HUD's Closing Agent shall include specific details regarding any delays in meeting the requirements outlined herein as part of the Contractor's certification (e.g. sales proceeds not received at closing and were not deposited and wired within required time frames). Thereafter, the Closing Agent shall forward all missing documents to HUD/HUD's Designee immediately upon receipt accompanied by a brief note outlining the circumstances of the delay (e.g. sales proceeds received on [date]; proceeds wired to HUD's account on [date]; original wire receipt attached; deed recorded on [date], etc.).

- (14) **Proration Calculations:** Unless the following information is fully documented on the HUD-1, the Contractor shall submit a copy of the proration calculation for verification with the settlement package for:
- (a) All taxes and assessments prepaid by sellers;
  - (b) Condominium/Homeowner Association Fees;
  - (c) Ground Rent Fees;
  - (d) Utility Escrow credited to the borrower (if applicable);
  - (e) All prorated taxes and assessments (less penalties and interest) unpaid by Seller; and
  - (f) Penalty and interest for failing to pay taxes on time.
- (15) **HUD-1 Corrections:** Explain and correct any errors or adjustments to the Settlement Statement (HUD-1) as requested by HUD/HUD's Designee or the purchaser rising after settlement within **two (2) business days** of notification.
- (16) **Weekly Report:** Provide a weekly report of all cases assigned to the Contractor, divided into three categories: (1) cases whose closing dates have not yet arrived; (2) cases which have failed to close by the deadline; and (3) cases closed during the reporting week.

The report must include the FHA Case Number, property address, date assigned and closing date. For cases falling under category (2), include detailed information on the current status of each case. For cases falling under category (3), include the date of the scheduled closing, the actual closing date, the date proceeds were deposited, the date proceeds were wire transferred and the date the complete closing package was delivered to HUD/HUD's Designee.

The report shall be delivered to HUD's Designee, with a copy to the HUD GTR, by noon of the first business day of each week. Submission of the weekly report may be done via facsimile.

- (17) **Recordkeeping:** Maintain the complete record of each closing, keeping all information confidential as directed by the GTR. Retain all pertinent records throughout the life of the contract. At expiration of contract, provide all such records to the GTR immediately upon request.

Minimum records to be maintained include:

- (a) Bank statements and proof of deposit for required escrow account;
  - (b) Proof of wire transfers of proceeds;
  - (c) Canceled checks for disbursements, containing the property address and notation of types of expenses;
  - (d) Log of all payments received, recorded separately, showing FHA case number, date, amount, purpose, and whether payment was made at or outside of closing; and
  - (e) Copies of each document related to each closing performed.
- (18) **1099 Tax Forms:** The Contractor shall ensure that the appropriate commissions for the Selling Broker (Line 6a. of the Sales Contract) and the Broad Listing Broker (Line 6b. of the Sales Contract) are accurately recorded as a seller's expense on the HUD-1. In addition, the Contractor shall be responsible for maintaining a record of all such commissions paid during each calendar year to each Selling Broker and Broad Listing Broker and shall be responsible for the preparation and issuance of a 1099 to each Selling Broker and Broad Listing Broker at the end of each year, in a timely manner, in accordance with

applicable tax laws.

- (19) **Escrow Account:** Provide copy of monthly bank statement to the HUD GTR (or designee) no later than **ten (10) business days** following statement ending date and a letter affirming that the statement has been reconciled as required by the paragraph entitled "Escrow Account" herein. The letter shall also include the number and amount of each check which has been outstanding for more than **sixty (60) calendar days** and the efforts put forth by the Contractor to clear these checks.
- (20) **Title documents:**
- (a) Store title documents (title policy, deed, etc.) that are the property of HUD in a secure cabinet furnished by the Contractor; file any additional documents; and maintain supervision and custody of these records.
  - (b) Complete title document files must be returned immediately to the GTR upon request and/or contract termination or completion.
- (21) **Forms:** The Contractor shall be responsible for maintaining a supply of the forms needed to perform all of the services required under this contract. Copies of SAMS forms (eg. SAMS-1103 and SAMS-1106) are available from HUD's web site through HUDCLIPS. The specific web address for HUDCLIPS is as follows: <http://www.hudclips.org>. Sample copies of the Special Warranty Deed and of the Extension Request Form shall be provided to the Contractor by the GTR for local reproduction.
- (22) **Second Mortgage and Second Lien Mortgage Note Requirements Under the Officer Next Door (OND) and Teacher Next Door (TND) Direct Sale Programs**
- (a) The requirements outlined in HUD Notice H 99-30 regarding the preparation and recordation of a Second Mortgage and a Second Lien Mortgage Note are hereby incorporated by reference and a copy of the Notice is attached.
  - (b) **Assignment:** Upon assignment of a closing of a direct sale under the OND/TND program, the Contractor will receive from HUD's Designee, in addition to basic closing documents, the following document(s):
    - (i) For direct sales to an officer or teacher, a completed HUD-9548-A, "Law Enforcement Officer/Teacher Certification" (Exhibit D of HUD Notice H 99-30); or
    - (ii) For direct sales to a governmental agency, pre-approved nonprofit organization or a school district, a completed HUD-9548-B, "Land Use Restriction Addendum" and a completed HUD-9548-C, "Assignment of Sales Contract" (Exhibits F and G of HUD Notice H 99-30).
  - (c) **Deed:** When preparing the required deed, Contractor shall ensure that the appropriate "deed restriction" clause is included.
    - (i) For direct sales to an officer or teacher, insert the following clause:
 

"The purpose of the following covenant is to insure that the property conveyed herein is used for homeownership and is occupied as a primary residence by a *[insert "police officer" or "teacher" as appropriate]* in accordance with the objectives of the Grantor's *[insert "Officer Next Door" or "Teacher Next Door" as appropriate]* Sales Program. Grantee, a *[insert "police officer" or "teacher" as appropriate]* shall own and occupy, as a primary residence, the property conveyed herein. This covenant shall be subject and subordinate to any mortgage or deed of trust executed by Grantee to finance or refinance the acquisition of the property conveyed herein and shall be extinguished upon the foreclosure of such mortgage or the conveyance of the property by deed in lieu of foreclosure. The covenants and conditions contained in this paragraph shall terminate, shall be of no further effect, and shall not be enforceable on or after *[insert date of third year anniversary of closing]* or unless terminated earlier in writing by Grantor. The acceptance of this deed by the Grantee shall constitute an acceptance of the use restrictions

described in this paragraph."

- (ii) Where a governmental agency, pre-approved nonprofit or school district purchases and closes the sale, the following clause must be provided for inclusion as a restriction in their deed to the purchaser:

"The purpose of the following covenant is to insure that the property conveyed herein is used for homeownership and is occupied as a primary residence by a [*insert "police officer" or "teacher" as appropriate*] in accordance with the objectives of the U.S. Department of Housing and Urban Development's (HUD's) [*insert "Officer Next Door" or "Teacher Next Door" as appropriate*] Sales Program. Grantee, a [*insert "police officer" or "teacher" as appropriate*] shall own and occupy, as a primary residence, the property conveyed herein. This covenant shall be subject and subordinate to any mortgage or deed of trust executed by Grantee to finance or refinance the acquisition of the property conveyed herein and shall be extinguished upon the foreclosure of such mortgage or the conveyance of the property by deed in lieu of foreclosure. The covenants and conditions contained in this paragraph shall terminate, shall be of no further effect, and shall not be enforceable on or after [*insert date of third year anniversary of closing*] or unless terminated earlier in writing by HUD. The acceptance of this deed by the Grantee shall constitute an acceptance of the use restrictions described in this paragraph."

- (d) **Second Mortgage and Second Lien Mortgage Note:** Contractor shall prepare the necessary Second Mortgage and Second Lien Mortgage Note using the sample formats provided in HUD Notice H 99-30 at Exhibit E.

**NOTE:** The sample Second Mortgage format requires a one time state adaptation in accordance with the instructions contained in Appendix III of HUD Handbook 4165.1, REV-1, CHG-3 (copy attached).

In the space provided under paragraph 3. of the Second Lien Mortgage Note regarding an address for payments, the following shall be inserted:

U.S. Dept. of Housing & Urban Development  
National Servicing and Loss Mitigation Center  
500 W. Main Street, Suite 400  
Oklahoma City, OK 73102

- (e) **At closing:** Contractor shall provide purchaser(s) with the required Fact Sheet (Exhibit I for OND and Exhibit J for TND of HUD Notice H 99-30). In addition, Contractor shall obtain written acknowledgment of receipt by the purchaser(s) of the required Fact Sheet by inserting an acknowledgment of receipt signature line, including the date, at the bottom of page 2 of the Fact Sheet for this purpose.
- (f) **Recording Fees:** The recording fees for the Second Mortgage and Second Lien Mortgage Note are to be charged to the buyer on the HUD-1, unless the buyer has requested that these fees be included as closing expenses charged to the seller under line 5 of the Sales Contract, if any.
- (g) **Recordation:** **On the day of closing or the next business day,** Contractor shall file the Second Mortgage and the Second Lien Mortgage Note for record and provide HUD's Designee with a copy of the recordation receipt as part of the closing package.
- (h) **Original Documents:** Upon receipt of the recorded Second Mortgage and the Second Lien Mortgage Note, Contractor shall forward the original documents to HUD's Designee **on the date of receipt or the next business day.**

**SECTION D - PACKING AND MARKING****D-1. AS 501 ENVIRONMENTALLY SAFE PACKAGING (NOV 1997)**

The offeror or contractor shall package non-breakable any deliverables (reports, proposals, studies, etc.) using environmentally safe packaging materials (e.g., recycled paper). The packaging methods shall be in accordance with the best commercial practices and provide adequate protection during shipping and handling.

**D-2. PAYMENT OF POSTAGE AND SHIPPING**

All postage and shipping costs relating to the submission of information (including reports and forms) required by this contract shall be paid by the Contractor. The unit prices per closing specified herein are inclusive of all postage and shipping costs.

**D-3 MARKING**

All information submitted to the Government under this contract shall be clearly marked with the contract number and property case numbers (if applicable).

## **SECTION E - INSPECTION AND ACCEPTANCE**

### **E-1. FAR 52.246-4 INSPECTION OF SERVICES - FIXED-PRICE (AUG 1996)**

- a. Definitions. "Services," as used in this clause, includes services performed, workmanship, and material furnished or utilized in the performance of services.
- b. The Contractor shall provide and maintain an inspection system acceptable to the Government covering the services under this contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to the Government during contract performance and for as long afterwards as the contract requires.
- c. The Government has the right to inspect and test all services called for by the contract, to the extent practicable at all times and places during the term of the contract. The Government shall perform inspections and tests in a manner that will not unduly delay the work.
- d. If the Government performs inspections or tests on the premises of the Contractor or a subcontractor, the Contractor shall furnish, and shall require subcontractors to furnish, at no increase in contract price, all reasonable facilities and assistance for the safe and convenient performance of these duties.
- e. If any of the services do not conform with contract requirements, the Government may require the Contractor to perform the services again in conformity with contract requirements, at no increase in contract amount. When the defects in services cannot be corrected by reperformance, the Government may (1) require the Contractor to take necessary action to ensure that future performance conforms to contract requirements and (2) reduce the contract price to reflect the reduced value of the services performed.
- f. If the Contractor fails to promptly perform the services again or to take the necessary action to ensure future performance in conformity with contract requirements, the Government may (1) by contract or otherwise, perform the services and charge to the Contractor any cost incurred by the Government that is directly related to the performance of such service or (2) terminate the contract for default.

### **E-2. HUDAR 2452.246-70 INSPECTION AND ACCEPTANCE (APR 1984)**

Inspection and acceptance of all work required under this contract shall be performed by the Government Technical Representative (GTR) identified in Section G, or other individual as designated by the Contracting Officer or GTR.

## SECTION F - DELIVERIES OR PERFORMANCE

### F.1. NOTICE LISTING CONTRACT CLAUSES INCORPORATED BE REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference by (Citation Number, Title and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this Contract. See FAR 52.252.2 for an Internet address ( if specified) for electron access to the full text of a clause.

NUMBER	TITLE	DATE
52.242.15	STOP-WORK ORDER	AUG 1989

### F-2. PERIOD OF PERFORMANCE:

- a. The period of performance under this contract shall be from date cited in award through 12 months; however, the contract may be extended for two, one-year option periods at the prices specified in Section B, pursuant to FAR clause 52.217-9. Delivery dates for specific services shall be as specified in Section C or as stated in task orders placed against this contract.
- b. Delivery orders may be issued under this contract for a period of twelve from the effective date of the commencement of the contract. If the option to extend the contract is exercised, the ordering period shall extend through the end date of the option. However, any order already assigned during the contract term shall be continue to completion unless otherwise directed by the GTR.

### F-3 52.211-11 - LIQUIDATED DAMAGES-SUPPLIES, SERVICES, OR RESEARCH & DEV. (APR 1984)

- a. If the Contractor fails to deliver the supplies or perform the services within the time specified in this contract, or any extension, the Contractor shall, in place of actual damages, pay to the Government as fixed, agreed, and liquidated damages, for **each calendar day of delay** as follows:

- (1) Delivery of final sales closing package: **\$6.24**
- (2) Corrections to HUD-1 Settlement Statements and remittance of amounts due HUD as a result of closing agent or bank/wire errors: **\$6.24**
- (3) Compliance with wire transfer procedures provided by the GTR:

Wire Transfer Amount x **.05** x (# calendar days late - 365)

The percentage rate (**5%**) cited in the equation above is subject to annual adjustment based on U.S. Dept. of Treasury Cash Management Regulations (I TFM 6-8000). The current rate is valid through December 31, 2000. The Contractor understands and agrees that the adjustment will be accomplished by unilateral contract modification.

**NOTE: These amounts are subject to adjustment, throughout the life of the contract, whenever the Department revises any or all of these costs.**

- b. Alternatively, if delivery or performance is so delayed, the Government may terminate this contract in whole or in part under the Default Fixed Price Supply and Service clause in this contract and in that event, the Contractor shall be liable for fixed, agreed, and liquidated damages accruing until the time the Government may reasonably obtain delivery or performance of similar supplies or services. The liquidated damages shall be in addition to excess costs under the Termination clause.
- c. The Contractor shall not be charged with liquidated damages when the delay in delivery or performance arises out of causes beyond the control and without the fault or negligence of the Contractor as defined in the Default-Fixed-Price Supply and Service clause in this contract.



- d. For third party closings, where HUD's Closing Agent does not have control over the disbursement of sales proceeds, the Closing Agent shall not be subject to liquidated damages for delays caused by a third party closer (e.g. check not given to HUD's Closing Agent until the day after closing). However, once the sales proceeds are received by HUD's Closing Agent, any further delays that may be caused by HUD's Closing Agent shall be subject to liquidated damages.

## SECTION G - CONTRACT ADMINISTRATION DATA

### G-1. AS 1102 - ORDERING PROCEDURES (NOV 1997):

- a. The Government will obtain the services required under this contract by the issuance of written task orders. Orders may be placed telephonically or by facsimile machine by the Contracting Office or authorized official (see (b) below). Telephone and fax orders will be confirmed by an original written task order **within five (5) calendar days**.
- b. The following individuals are authorized to issue orders under this contract:

**FOR HUD: Peter Spina**

**FOR FIRST PRESTON (M&M):**

### G-2. HUD'S DESIGNEE:

The following Management & Marketing Contractor for the geographic area(s) reflected in Section B will be considered "HUD's Designee" under this contract:

**First Preston Management.**

**One Sentry**

**475 Sentry Parkway, Suite 500**

**Blue Bell, PA 19266**

**Phone: (484) 530-0700**

### G-3. PAYMENT:

- a. The Government shall pay the Contractor as full compensation for all work required, performed and accepted under this contract, inclusive of all costs and expenses, the appropriate fixed unit price specified in Section B.
- b. Payment for all services shall be made at the time of the property sales closing from all the sales proceeds; except that in cases where such sales proceeds are inadequate to fully pay the unit price per closing specified in the Schedule, the Government agrees to pay the Contractor the difference. The Government also agrees to reimburse the Contractor for any allowable closing expenses paid by the Contractor due to insufficient sales proceeds. The Contractor will be reimbursed by one of the following procedures, as instructed by the GTR:
  - (1) The Contractor shall submit an original invoice to HUD/HUD's Designee requesting payment; or
  - (2) The Contractor shall prepare and submit to HUD, the Single Family Accounting Management System (SAMS) form 1106, Invoice Transmittal (Attachment 6). Upon approval, HUD will forward the SAMS-1106 for payment.

### G-4. HUDAR 2452.237-73 CONDUCT OF WORK (APR-1984) ALTERNATE 1

- a. The Government Technical Representative (GTR) for liaison with the Contractor as to the conduct of work is **Peter Spina**, or a successor designated in writing by the Contracting Officer.
- b. The Contractor's work hereunder shall be carried out under the supervision of **Robert Contois** (GTM).
- c. The GTR shall provide direction on contract performance. Such direction must be within the contract scope of work and may not be of a nature which: (1) institutes additional work outside the scope of the contract; (2) constitutes a change as defined in FAR 52.243-1; (3) causes an increase or decrease in the cost of the contract; (4) alters the period of performance or delivery dates; or, (5) changes any of the other express terms or conditions of the contract.

**G-5 . HUDAR 2452.237-70 KEY PERSONNEL (APR 1984)**

The personnel specified below are considered to be essential to the work being performed under this contract. Prior to diverting any of the specified individuals to other projects, the Contractor shall notify the Contracting Officer reasonably in advance and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. No diversion shall be made by the Contractor without the written consent of the Contracting Officer: Provided, that the Contracting Officer may ratify in writing such diversion and such ratification shall constitute the consent of the Contracting Officer required by this clause. This clause may be amended from time to time during the course of the contract to either add or delete personnel, as appropriate.

**INDIVIDUAL**

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_

## **SECTION H - SPECIAL CONTRACT REQUIREMENTS**

### **H-1. INTERNET ADDRESS:**

The Contractor will be required to have an active Internet Communication Address (i.e., SAMPLEDC@aol.com) to ensure direct and efficient correspondence with the GTR for daily communication of problematic issues, special cases, emergencies, and off hour situations that may occur.

### **H-2. ESCROW ACCOUNT:**

The Contractor shall establish a non-interest bearing escrow account for **ALL** proceeds, including earnest money deposits, loan proceeds, and purchaser's funds presented at closing, in the name of the Contractor with the restriction "As Trustee for the U.S. Department of Housing and Urban Development." All distribution of funds for payments of expenses/charges to HUD shall be made from this account. The account shall be separate from any and all other accounts the Contractor may have. In the event the Contractor has multiple contracts with HUD, the Contractor shall ensure that a separate account is maintained for each contract area and shall not commingle funds within areas. The escrow account shall be established in a bank that gives credit for the deposited check immediately upon clearance, will issue a receipt for the deposit, and has the capacity to transmit all of the information contained in SAMS Form 1103, Wire Transfer Transmittal, in the exact format shown. If, at any time, the Contractor is unable to continue compliance with these requirements, the Contractor shall immediately notify the GTR and Contracting Officer. Such notification shall describe the efforts exerted by the Contractor to comply and shall include proposed actions to achieve compliance.

### **H-3. BONDING:**

The Contractor will be covered under HUD's national blanket bond. The Contractor shall acknowledge in writing subrogation rights of the surety(ies) prior to start of performance under the contract.

### **H-4. FINANCIAL RESOURCES:**

The Contractor shall have adequate financial resources to perform the contract requirements, including the ability to advance funds to the special escrow account when proceeds of a sale are not sufficient to cover disbursements (\$5,000 to \$10,000 per month) or for other required advances. The advancement of funds will be reimbursed by HUD approximately 60 days after submission of an invoice. In addition, the Contractor must submit evidence of an acceptable credit rating.

### **H-5. FACSIMILE COSTS:**

Contractor shall ensure high quality, plain paper (thermographic type service is unacceptable) facsimile service for incoming and outgoing documents is available in the Contractor's office. All costs to provide facsimile services shall be paid by the Contractor.

### **H-6. OFFICE LOCATION, HOURS OF OPERATION AND OFFICE MANAGER:**

The Contractor shall maintain a fully staffed and equipped office reasonably located so as to provide convenient service to HUD and its clients within the geographic area to be served under this contract that is acceptable to the GTR and the Contracting Officer. Such an office must be established within **15** days after award. The office shall be open to conduct business during standard operating hours of 8:00 AM to 5:00 PM, Monday through Friday, with the exception of recognized Federal holidays. The Contractor shall provide an Office Manager who shall be responsible for the performance of the work. The name of this person and an alternate who can act in the absence of the Office Manager shall be designated in writing to the Contracting Officer. The Office Manager shall have full authority to act for the Contractor on all contract matters relating to daily operations of this contract and shall be available during normal working hours to meet with staff of HUD/HUD's Designee to discuss problems or other issues.

### **H-7. RECORD KEEPING:**

The Contractor shall maintain such accounting records as are required by the Government (GTR will provide guidance) and shall provide specific answers to questions upon which information is desired from time to time relative to the operation of the contract. At a minimum, accounting records shall include a cash receipts and cash disbursements register dealing exclusively with the activity of this contract. This register shall be reconciled monthly to the bank account.

**H-8. CONFLICTS OF INTEREST:**

If the Contractor performed work or was involved in the legal work related to the foreclosure action which resulted in HUD's acquisition of title to the property, performance of any title-related work required under this contract shall be considered a conflict of interest and the Contractor may not perform the title examination. However, the Contractor is not relieved from the responsibility of ensuring that the services required are performed in accordance with the contract requirements. The Contractor shall have an acceptable method in place of identifying potential conflicts of interest and ensuring that the work they are precluded from accomplishing themselves is accomplished as required.

In addition to other prohibited activities specified herein, the Contractor shall not be employed by, or provide services to, the HUD Designee noted in Section G-2 unless the Contractor has notified the Contracting Officer of such proposed employment or service and has received the written approval of the Contracting Officer to perform such service or employment. This prohibition also extends to the Contractor's employees.

**H-9. TITLE EXAMINATION FEES:**

An attorney, acting as a HUD sales Closing Agent, may not split or divide a title insurance premium in an amount keyed to the amount of the premium, but may charge a fee to the title company for legal services actually rendered for title examination based on time and difficulty of the service performed.

**H-10. DISCOUNTS:**

Contractor shall give the Government full credit for all discounts of any nature obtained by the Contractor in the conduct of the contract.

**H-11. EXAMINATION OF RECORDS:**

The Government shall have the right to examine the books and other data of the Contractor regarding the contract, upon reasonable notice, at all times and places during this contract. Upon expiration or termination of this contract, the Contractor shall, **within five business days** of notification, provide to the Contracting Officer or designee, all individual property files, and any unused Government forms or documents related to this contract.

**H-12. RESPONSIBILITY FOR MEETING ALL LOCAL REQUIREMENTS:**

The Contractor shall be responsible for ensuring that all local requirements concerning the service(s) provided under this contract are met (e.g. requirement that a member of the Bar Association conduct the closings; any special licensing requirements, etc.).

**H-13. LICENSES**

The contractor shall have all necessary licenses, permits and approvals as required by State and/or local law to meet the requirements of the contract at the time designated for receipt of proposals.

**CONTRACTOR SHALL BE A MEMBER OF NEW YORK STATE BAR.**

## SECTION I - CONTRACT CLAUSES

### I.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at **FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE"** in Section I of this contract. See FAR 52.252-2 for an Internet address (if specified) for electronic access to the full text of a clause.

NUMBER	TITLE	DATE
52.202-1	DEFINITIONS	OCT 1995
52.203-3	GRATUITIES	APR 1984
52.203-5	COVENANT AGAINST CONTINGENT FEES	APR 1984
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT	JUL 1995
52.203-7	ANTI-KICKBACK PROCEDURES	JUL 1995
52.203-8	CANCELLATION, RECISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	JUN 1997
52.204-4	PRINTING/COPYING DOUBLE-SIDED ON RECYCLED PAPER	JUN 1996
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTOR'S SUSPENDED, DEBARRED, OR PROPOSED FOR DEBARMENT	JUL 1995
52.215-2	AUDIT AND RECORDS - NEGOTIATION	JUN 1999
52.215-22	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA	OCT 1995
52.215-23	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA - MODIFICATIONS	OCT 1995
52.215-24	SUBCONTRACTOR COST OR PRICING DATA	OCT 1995
52.215-33	ORDER OF PRCEDENCE	JAN 1986
52.219-4	NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS	JAN 1999
52.219-6	NOTICE OF TOTAL SMALL BUSINESS SET-ASIDE	JUL 1996
52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS	OCT 1999
52.219-14	LIMITATIONS ON SUBCONTRACTING	DEC 1996
52.222-3	CONVICT LABOR	AUG 1996
52.222-26	EQUAL OPPORTUNITY	FEB 1999
52.222-35	AFFIRMATIVE ACTION FOR DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA	APR 1998
52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES	JUN 1998
52.222-37	EMPLOYMENT REPORTS ON DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA	JAN 1999
52.223-6	DRUG-FREE WORKPLACE	JAN 1997
52.223-14	TOXIC CHEMICAL RELEASE REPORTING	OCT 1996
52.227-1	AUTHORIZATION AND CONSENT	JUL 1995
52.229-3	FEDERAL, STATE, AND LOCAL TAXES	JAN 1991
52.232-1	PAYMENT	APR 1984
52.232-8	DISCOUNTS FOR PROMPT PAYMENT	MAY 1997
52.232-11	EXTRAS	APR 1984
52.232-17	INTEREST	JUN 1996
52.232-23	ASSIGNMENT OF CLAIMS	JAN 1986
52.233-1	DISPUTES-ALTERNATE I (DEC 1991)	DEC 1998
52.233-3	PROTEST AFTER AWARD	AUG 1996
52.237-3	CONTINUITY OF SERVICES	JAN 1991
52.242-13	BANKRUPTCY	JUL 1995
52.243-1	CHANGES--FIXED PRICE ALTERNATE I (APR 1994)	AUG 1987

<b>52.246-25</b>	<b>LIMITATION OF LIABILITY--SERVICES</b>	<b>FEB 1997</b>
<b>52.249-4</b>	<b>TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (SERVICES) (SHORT FORM)</b>	<b>APR 1984</b>
<b>52.249-8</b>	<b>DEFAULT (FIXED-PRICE SUPPLY AND SERVICE)</b>	<b>APR 1984</b>
<b>52.253-1</b>	<b>COMPUTER GENERATED FORMS</b>	<b>JAN 1991</b>
<b>2452.203-70</b>	<b>PROHIBITION AGAINST THE USE OF FEDERAL EMPLOYEES</b>	<b>DEC 1992</b>
<b>2452.209-72</b>	<b>ORGANIZATIONAL CONFLICTS OF INTEREST</b>	<b>APR 1984</b>
<b>2452.222-70</b>	<b>ACCESSIBILITY OF MEETINGS, CONFERENCES, AND SEMINARS TO PERSONS WITH DISABILITIES</b>	<b>JUL 1988</b>

## **I.2 52.216-18 ORDERING (OCT 1995)**

- a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from commencement of contract through one year.
- b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.
- c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

## **I.3 52.216-19 ORDER LIMITATIONS (OCT 1995)**

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than **five (5)**, the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor--

(1) Any order for a single item in excess of **50**;

(2) Any order for a combination of items in excess of **100**;

(3) A series of orders from the same ordering office within **five (5)** days that together call for quantities exceeding the limitation in subparagraph (1) or (2) above.

- a) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) above.
- b) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within **three (3)** days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

## **I.4 52.216-22 INDEFINITE QUANTITY (OCT 1995)**

- a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.
- b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum." The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum."

- c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.
- d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the contractor shall not be required to make any deliveries under this contract after 75 days from expiration date.

**I.5 52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)**

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within the performance period of the contract including options previously exercised.

**I.6 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)**

- (a) The Government may extend the term of this contract by written notice to the Contractor within 60 days provided, that the Government shall give the Contractor a preliminary written notice of its intent to extend at least sixty days before the contract expires. The preliminary notice does not commit the Government to an extension.
- (b) If the Government exercises this option, the extended contract shall be considered to include this option clause.
- (c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed three (3) years.

**I.7 52.232-25 PROMPT PAYMENT (JUN 1997)**

Notwithstanding any other payment clause in this contract, the Government will make invoice payments and contract financing payments under the terms and conditions specified in this clause. Payment shall be considered as being made on the day a check is dated or the date of an electronic funds transfer. Definitions of pertinent terms are set forth in section 32.902 of the Federal Acquisition Regulation. All days referred to in this clause are calendar days, unless otherwise specified. (However, see subparagraph(a)(4) of this clause concerning payments due on Saturdays, Sundays, and legal holidays.)

(a) Invoice payments (1) Due Date. (i) Except as indicated in subparagraph (a)(2) and paragraph (c) of this clause, the due date for making invoice payments by the designated payment office shall be the later of the following two events:

(A) The 30th day after the designated billing office has received a proper invoice from the Contractor (except as provided in subdivision (a)(1)(ii) of this clause).

(B) The 30th day after Government acceptance of supplies delivered or services performed by the Contractor. On a final invoice where the payment amount is subject to contract settlement actions, acceptance shall be deemed to have occurred on the effective date of the contract settlement.

(ii) If the designated billing office fails to annotate the invoice with the actual date of receipt at the time of receipt, the invoice payment due date shall be the 30th day after the date of the Contractor's invoice; provided a proper invoice is received and there is no disagreement over quantity, quality, or Contractor compliance with contract requirements.

(iii) If the contract does not require submission of an invoice for payment (e.g., periodic lease payments), the due



date will be as specified in the contract.

(3) Contractor's invoice. The Contractor shall prepare and submit invoices to the designated billing office specified in the contract. A proper invoice must include the items listed in paragraph (a)(3)(i) through (a)(3)(viii) of this clause. If the invoice does not comply with these requirements, it shall be returned within 7 days after the date the designated billing office received the invoice (3 days for meat, meat food products, or fish; 5 days for perishable agricultural commodities, edible fats or oils, and food products prepared from edible fats or oils), with a statement of the reasons why it is not a proper invoice. Untimely notification will be taken into account in computing any interest penalty owed the Contractor in the manner described in subparagraph (a)(5) of this clause.

(i) Name and address of the Contractor.

(ii) Invoice date. (The Contractor is encouraged to date invoices as close as possible to the date of the mailing or transmission.)

(iii) Contract number or other authorization for supplies delivered or services performed (including order number and contract line item number).

(iv) Description, quantity, unit of measure, unit price, and extended price of supplies delivered or services performed.

(v) Shipping and payment terms (e.g., shipment number and date of shipment, prompt payment discount terms). Bill of lading number and weight of shipment will be shown for shipments on Government bills of lading.

(vi) Name and address of Contractor official to whom payment is to be sent (must be the same as that in the contract or in a proper notice of assignment).

(vii) Name (where practicable), title, phone number, and mailing address of person to be notified in the event of a defective invoice.

(viii) Any other information or documentation required by the contract (such as evidence of shipment).

(ix) While not required, Contractor is strongly encouraged to assign an identification number to each invoice.

4) Interest penalty. An interest penalty shall be paid automatically by the designated payment office, without request from the Contractor, if payment is not made by the due date and the conditions listed in paragraphs (a)(4)(i) through (a)(4)(iii) of this clause are met, if applicable. However, when the due date falls on a Saturday, Sunday, or legal holiday when Federal Government offices are closed and Government business is not expected to be conducted, payment may be made on the following business day without incurring a late payment interest penalty.

(i) A proper invoice was received by the designated billing office.

(ii) A receiving report or other Government documentation authorizing payment was processed, and there was no disagreement over quantity, quality, or Contractor compliance with any contract term or condition.

(iii) In the case of a final invoice for any balance of funds due the Contractor for supplies delivered or services performed, the amount was not subject to further contract settlement actions between the Government and the Contractor.

(5) Computing penalty amount. The interest penalty shall be at the rate established by the Secretary of the Treasury under section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611) that is in effect on the day after the due date, except where the interest penalty is prescribed by other governmental authority (e.g., tariffs). This rate is referred to as the "Renegotiation Board Interest Rate," and it is published in the Federal Register semiannually on or about January 1 and July 1. The interest penalty shall accrue daily on the invoice principal payment amount approved by the Government until the payment date of such approved principal amount; and will be compounded in 30-day increments inclusive from the first day after the due date through the payment date. That is, interest accrued at the end of any 30-day period will be added to the approved

invoice principal payment amount and will be subject to interest penalties. If not paid in the succeeding 30-day period. If the designated billing office failed to notify the Contractor of a defective invoice within the periods prescribed in subparagraph (a)(3) of this clause, the due date on the corrected invoice will be adjusted by subtracting from such date the number of days taken beyond the prescribed notification of defects period. Any interest penalty owed the Contractor will be based on this adjusted due date. Adjustments will be made by the designated payment office for errors in calculating interest penalties.

i. For the sole purpose of computing an interest penalty that might be due the Contractor, Government acceptance shall be deemed to have occurred constructively on the (unless otherwise specified in this contract) after the Contractor delivered the supplies or performed the services in accordance with the terms and conditions of the contract, unless there is a disagreement over quantity, quality, or Contractor compliance with a contract provision. In the event that actual acceptance occurs within the constructive acceptance period, the determination of an interest penalty shall be based on the actual date of acceptance. The constructive acceptance requirement does not, however, compel Government officials to accept supplies or services, perform contract administration functions, or make payment prior to fulfilling their responsibilities.

(ii) The following periods of time will not be included in the determination of an interest penalty:

(A) The period taken to notify the Contractor of defects in invoices submitted to the Government, but this may not exceed 7 days (3 days for meat, meat food products, or fish; 5 days for perishable agricultural commodities, dairy products, edible fats or oils, and food products prepared from edible fats or oils).

(B) The period between the defects notice and resubmission of the corrected invoice by the Contractor.

(C) For incorrect electronic funds transfer (EFT) information, in accordance with the EFT clause of this contract.

(iii) Interest penalties will not continue to accrue after the filing of a claim for such penalties under the clause at 52.233-1, Disputes, or for more than 1 year. Interest penalties of less than \$1 need not be paid.

(iv) Interest penalties are not required on payment delays due to disagreement between the Government and the Contractor over the payment amount or other issues involving contract compliance or on amounts temporarily withheld or retained in accordance with the terms of the contract. Claims involving disputes, and any interest that may be payable, will be resolved in accordance with the clause at 52.233-1, Disputes.

(6) Prompt payment discounts. An interest penalty also shall be paid automatically by the designated payment office, without request from the Contractor, if a discount for prompt payment is taken improperly. The interest penalty will be calculated as described in subparagraph (a)(5) of this clause on the amount of discount taken for the period beginning with the first day after the end of the discount period through the date when the Contractor is paid.

(7) Additional interest penalty. (i) a penalty amount, calculated in accordance with paragraph (a)(7)(iii) of this clause, shall be paid in addition to the interest penalty amount if the Contractor--

(A) Is owed an interest penalty of \$1 or more;

(B) Is not paid the interest penalty within 10 days after the date the invoice amount is paid; and

(C) Makes a written demand to the designated payment office for additional penalty payment, in accordance with paragraph (a)(7)(ii) of this clause, postmarked not later than 40 days after the invoice amount is paid.

(ii) (A) Contractors shall support written demands for additional penalty payments with the following data. No additional data shall be required. Contractors shall--

(1) Specifically assert that late payment interest is due under a specific invoice, and request payment of all

overdue late payment interest penalty and such additional penalty as may be required;

- (2) Attach a copy of the invoice on which the unpaid late payment interest was due; and
- (3) State that payment of the principal has been received, including the date of receipt.

(B) Demands must be postmarked on or before the 40th day after payment was made, except --that--

- (1) If the postmark is illegible or nonexistent, the demand must have been received and annotated with the date of receipt by the designated payment office on or before the 40th day after payment was made; or
- (2) If the postmark is illegible or nonexistent and the designated payment office fails to make the required annotation, the demand's validity will be determined by the date the Contractor has placed on the demand; provided such date is no later than the 40th day after payment was made.

(iii) A) The additional penalty shall be equal to 100 percent of any original late payment interest penalty, except—

- (1) The additional penalty shall not exceed \$5,000;
  - (2) The additional penalty shall never be less than \$25; and
  - (3) No additional penalty is owed if the amount of the underlying interest penalty is less than \$1.
- (a)(5)(iii) of this clause, the amount of the additional penalty shall be calculated on the

(B) If the interest penalty ceases to accrue in accordance with the limits stated in paragraph amount of interest penalty that would have accrued in the absence of these limits, subject to the overall limits on the additional penalty specified in paragraph (a)(7)(iii)(A) of this clause.

(C) For determining the maximum and minimum additional penalties, the test shall be the interest penalty due on each separate payment made for each separate contract. The maximum and minimum additional penalty shall not be based upon Individual invoices unless the invoices are paid separately. Where payments are consolidated for disbursing purposes, the maximum and minimum additional penalty determination shall be made separately for each contract therein.

(D) The additional penalty does not apply to payments regulated by other Government regulations (e.g., payments under utility contracts subject to tariffs and regulation).

(b) Contract financing payments--(1) Due dates for recurring financing payments. If this contract provides for contract financing, requests for payment shall be submitted to the designated billing office as specified in this contract or as directed by the Contracting Officer. Contract financing payments shall be made on the day after receipt of a proper contract financing request by the designated billing office. In the event that an audit or other review of a specific financing request is required to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make payment by the due date specified.

(2) Due dates for other contract financing. For advance payments, loans, or other arrangements that do not involve recurring submissions of contract financing requests, payment shall be made in accordance with the corresponding contract terms or as directed by the Contracting Officer.

(3) Interest penalty not applicable. Contract financing payments shall not be assessed an interest penalty for payment delays.

(c) Fast payment procedure due dates. If this contract contains the clause at 52.213-1, Fast Payment Procedure, payments will be made within 15 days after the date of receipt of the invoice.

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

**FAR CLAUSES:** <http://www.arnet.gov>

**FEDERAL EMPLOYEES:** <http://hud.gov/cts/ctshudar.html>

**I.9 AS 1510 PAYMENT SCHEDULE AND INVOICE SUBMISSION (FIXED-PRICE) (NOV 1997)**

- (a) General. The Government shall pay the Contractor as full compensation for all work required, performed and accepted under this contract, inclusive of all costs and expenses, the firm fixed-price stated in Part I, Section B of this contract.

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- (c) Submission of Invoices. Invoices shall be submitted in an original and two (2) copies to the payment office identified in Block 12 of the SF-26 or Block 25 of the SF-33. To constitute a proper invoice, the invoice must include all items per FAR 52.232-25, "Prompt Payment."

To assist the Government in making timely payments, the Contractor is also requested to identify the appropriation number (from Block 14 if award is made on the SF-26 or Block 21 if award is made on the SF-33) on each invoice. The Contractor is also requested to identify on the envelope that an invoice is enclosed.

- (d) Contractor Remittance Address. The remittance address shall be agreed upon between the Contractor and the Finance Office in accordance with FAR 52.232-33.

**SECTION J - ATTACHMENTS**

<b><u>No.</u></b>	<b><u>Description</u></b>	<b><u>Form No.</u></b>
1.	Sales Contract	HUD-9548 (1/99)
2.	Single Family Application for Insurance Benefits - Part A	HUD-27011
3.	Request to Wire Transfer Funds	SAMS-1103 (10/94)
4.	Wire Transfer of Proceeds Procedure	Appendix 71, HB 4310.5 Rev-2
5.	Invoice Transmittal	SAMS 1106 (10/94)
6.	Settlement Statement	HUD-1 with Addendum

## SECTION K - REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS

### **K.1 NOTICE LISTING SOLICITATION PROVISIONS INCORPORATED BY REFERENCE**

The following solicitation provisions pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the FAR provision at FAR "52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE" in Section L of this solicitation. See FAR 52.252-1 for an Internet address (if specified) for electronic access to the full text of a provision.

NUMBER	TITLE	DATE
<b>52.203-11</b>	<b>CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS</b>	<b>APR 1991</b>
<b>52.222-21</b>	<b>PROHIBITION OF SEGREGATED FACILITIES</b>	<b>FEB 1999</b>

### **K.2 52.203-2 CERTIFICATE OF INDEPENDENT PRICE DETERMINATION (APR 1985)**

(a) The offeror certifies that--

- (1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered;
- (2) The prices in this offer have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and
- (3) No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

(b) Each signature on the offer is considered to be a certification by the signatory that the signatory--

- (1) Is the person in the offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or
- (2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above

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[Insert full name of person(s) in the offeror's organization responsible for determining the prices offered in the bid or proposal, and the title of his or her position in the offeror's organization];

(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and  
 (iii) As an agent, has not personally participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the offeror deletes or modifies subparagraph (a)(2) above, the offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

**K.3 52.204-3 TAXPAYER IDENTIFICATION (OCT 1998)**

## (a) Definitions.

"Common parent," as used in this solicitation provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the offeror is a member.

"Taxpayer Identification Number (TIN)," as used in this provision, means the number required by the Internal Revenue Service (IRS) to be used by the offeror in reporting income tax and other returns. The TIN may be either a Social Security Number or an Employer Identification Number.

(b) All offerors must submit the information required in paragraphs (d) through (f) of this provision in comply with debt collection requirements of 31 U.S.C. 7701© and 3325(d), reporting requirements 26 U.S.C. 6041, 6041A, and 6050M and implementing regulations issued by the (IRS). If the resulting contract is subject to the payment reporting requirements described in Federal Acquisition Regulation (FAR) 4.904, the failure or refusal by the offeror to furnish the information may result in a 31 percent reduction of payments otherwise due under the contract.

(c) The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the offeror's relationship with the Government (31 U.S.C. 7701©(3)). If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the offeror's TIN.

## (d) Taxpayer Identification Number (TIN).

- ☐ TIN: \_\_\_\_\_.
- ☐ TIN has been applied for.
- ☐ TIN is not required because:
- ☐ Offeror is a nonresident alien, foreign corporation or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States.;
- ☐ Offeror is an agency or instrumentality of a foreign government;
- ☐ Offeror is an agency or instrumentality of the Federal government.

## (e) Type of organization.

- ☐ Sole proprietorship;
- ☐ Partnership;
- ☐ Corporate entity (not tax exempt);
- ☐ Corporate entity (tax exempt);
- ☐ Government entity (Federal, State, local);
- ☐ Foreign government;
- ☐ International organization per 26 CFR 1.6049-4;
- ☐ Other \_\_\_\_\_.

## (f) Common Parent.

- ☐ Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this provision.
- ☐ Name and TIN of common parent:  
Name \_\_\_\_\_  
TIN \_\_\_\_\_

**K.4 52.209-5 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS (MAR 1996)**

(a)(1) The Offeror certifies, to the best of its knowledge and belief, that -

(i) The Offeror and/or any of its Principals -

- (A) Are ☐ are not ☐ presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;
- (B) Have ☐ have not ☐, within a 3-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion or receiving stolen property; and
- (C) Are ☐ are not ☐ presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (a)(1)(i)(B) of this provision.
- (ii) The Offeror has ☐ has not ☐, within a 3-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.
- (2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).
- THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER SECTION 1001, TITLE 18, UNITED STATES CODE.**
- (b) The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract Award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.
- (d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- (e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

**K..5 52.215-6 PLACE OF PERFORMANCE (OCT 1997)**

- (a)The offeror or respondent, in the performance of any contract resulting from this solicitation, ☐ intends, ☐ does not intend [check applicable block] to use one or more plants or facilities located at a different address from the address of the offeror or respondent as indicated in this proposal or response to request for information.
- (b)If the offeror or respondent checks "intends" in paragraph (a) of this provision, it shall insert in the following spaces the required information:



Place of performance  
(street address, city, state,  
county, code)

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Name and address of owner and  
operator of the plant or facility  
if other than offeror or respondent

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**K.6 52.219-1 SMALL BUSINESS PROGRAM REPRESENTATIONS (MAY 1999) ALTERNATE I  
(NOV 1999)**

- a. (1) The standard industrial classification (SIC) code for this acquisition is **8111**.
- (2) The small business size standard is **\$5 million**.
- (3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.
- b. Representations.
- (1) The offeror represents as part of its offer that it [ ☐ ] **is**, [ ☐ ] **is not** a small business concern.
- (2) [Complete only if offeror represented itself as a small business concern in paragraph b. (1) of this provision.] The offeror represents, for general statistical purposes, that it [ ☐ ] **is**, [ ☐ ] **is not**, a small disadvantaged business concern as defined in 13 CFR 124.1002.
- (3) [Complete only if offeror represented itself as a small business concern in paragraph b. (1) of this provision.] The offeror represents as part of its offer that it [ ☐ ] **is**, [ ☐ ] **is not** a women-owned small business concern.
- (4) [Complete only if offeror represented itself as a small business concern in paragraph b. (1) of this provision.] The offeror represents, as part of its offer, that:
- (i) It [ ☐ ] **is**, [ ☐ ] **is not** a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration, and no material change in ownership and control, principal officer of ownership, or HUBZone employee percentage has occurred since it was certified by the Small Business Administration in accordance with 13 CFR Part 126; and
- (ii) It [ ☐ ] **is**, [ ☐ ] **is not** a joint venture that complies with the requirements of 13 CFR Part 126, and the representation in paragraph b. (4) (i) of this provision is accurate for the HUBZone small business concern or concerns that are participating in the joint venture. [The offeror shall enter the name or names of the HUBZone small business concern or concerns that are participating in the joint venture: \_\_\_\_\_.] Each HUBZone small business concern participating in the joint venture shall submit a separate signed copy of the HUBZone representation.
- c. Definitions. "Small business concern", as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR Part 121 and the size standard in paragraph (a) of this provision.

"Women-owned small business concern", as used in this provision, means a small business concern--

- (1) Which is at least 51 percent owned by one or more women or, in the case of any publicly owned business,

at least 51 percent of the stock of which is owned by one or more women; and

- (2) Whose management and daily business operations are controlled by one or more women.

d. Notice.

- (1) If this solicitation is for supplies and has been set aside, in whole or in part, for small business concerns, then the clause in this solicitation providing notice of the set-aside contains restrictions on the source of the end items to be furnished.
- (2) Under 15 U.S.C. 645(d), any person who misrepresents a firm's status as a small, small disadvantaged or women-owned small business concern in order to obtain a contract to be awarded under the preference programs established pursuant to sections 8(a), 8(d), 9, or 15 of the Small Business Act or any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility, shall--
  - (i) Be punished by imposition of fine, imprisonment, or both;
  - (ii) Be subject to administrative remedies, including suspension and debarment; and
  - (iii) Be ineligible for participation in programs conducted under the authority of the Act.

**K.7 52.222-22 PREVIOUS CONTRACTS AND COMPLIANCE REPORTS (FEB 1999)**

The offeror represents that--

- (a) It ☐ **has**, ☐ **has not** participated in a previous contract or subcontract subject to the Equal Opportunity clause of this solicitation;
- (b) It ☐ **has**, ☐ **has not** filed all required compliance reports; and
- (c) Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

**K.8 52.222-25 AFFIRMATIVE ACTION COMPLIANCE (APR 1984)**

The offeror represents that--

- (a) It ☐ **has developed and has on file**, ☐ **has not developed** and does not have on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or (b) It ☐ **has not** previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

**K.9 52.223-13 CERTIFICATION OF TOXIC CHEMICAL RELEASE REPORTING (OCT 1996)**

- (a) Submission of this certification is a prerequisite for making or entering into this contract imposed by Executive Order 12969, August 8, 1995.-

- (b) By signing this offer, the offeror certifies that----

- (1) As the owner or operator of facilities that will be used in the performance of this contract that are subject to the filing and reporting requirements described in section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. 11023) and section 6607 of the Pollution Prevention Act of 1990 (PPA) (42 U.S.C. 13106), the offeror will file and continue to file for such facilities for the life of the contract the Toxic Chemical Release Inventory Form (Form R) as described in sections 313(a) and (g) of EPCRA and section 6607 of PPA; or—
- (2) None of its owned or operated facilities to be used in the performance of this contract is subject to the Form R filing and reporting requirements because each such facility is exempt for at least one of the following reasons: (Check each block that is applicable.)-

☐ (i) The facility does not manufacture, process, or otherwise use any toxic chemicals listed under section 313(c) of EPCRA, 42 U.S.C. 11023(c);-

☐ (ii) The facility does not have 10 or more full-time employees as specified in section 313(b)(1)(A) of EPCRA, 42 U.S.C. 11023(b)(1)(A);-

☐ (III) The facility does not meet the reporting thresholds of toxic chemicals established under section 313(f) of EPCRA, 42 U.S.C. 11023(f) (including the alternate thresholds at 40 CFR 372.27, provided an appropriate certification form has been filed with EPA);

☐ (iv) The facility does not fall within Standard Industrial Classification Code (SIC) designations 20 through 39 as set forth in Section 19.102 of the Federal Acquisition Regulation; or

☐ (v) The facility is not located within any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Northern Mariana Islands, or any other territory or possession over which the United States has jurisdiction.

**K.10 HUDAR 2452.203-71 CERTIFICATION REGARDING FEDERAL EMPLOYMENT (DEC 1992)**

By submitting an offer, the offeror hereby certifies that it is not owned or substantially owned or controlled by one or more Federal employees.

**K.11 HUDAR 2452.209-71 ORGANIZATIONAL CONFLICTS OF INTEREST CERTIFICATION (APR 1984)**

The bidder or offeror certifies that to the best of its knowledge and belief and except as otherwise disclosed, he or she does not have any organizational conflict of interest which is defined as a situation in which the nature of work to be performed under this proposed Government contract and the bidder or offeror's organizational, financial, contractual or other interests may, without some restriction on future activities:

- (a) Result in an unfair competitive advantage to the offeror; or
- (b) Impair the offeror's objectivity in performing the contract work.

☐ In the absence of any actual or apparent conflict, I hereby certify that to the best of my knowledge and belief, no actual or apparent conflict of interest exists with regard to Offeror(s) or Bidder(s) possible performance of this procurement.

**K.12 HUDAR 2452.226-70 CERTIFICATION OF STATUS AS A MINORITY BUSINESS ENTERPRISE (AUG 1995)**

Bidder, Offeror or Supplier certifies that he or she ☐ is, ☐ is not, (check one), a minority business enterprise which is defined as a business which is at least 51 percent owned by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals. For the purpose of this definition, minority group members are: (Check the box applicable to you)

☐ Black Americans

☐ Hispanic Americans

☐ Native Americans

☐ Asian Pacific Americans

☐ Asian Indian Americans

**K.13 AS 1902 SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES (NOV 1997)**

In accordance with FAR 52.203-11, above:

☐ An SF-LLL, Disclosure of Lobbying Activities, is not required.

☐ An SF-LLL, Disclosure of Lobbying Activities, is required and has been submitted as an attachment to Section K.

<Offeror/Bidder check applicable statement>

**K.14 AS 1909 DUNS NUMBER (NOV 1997)**

The offeror shall supply its Dun and Bradstreet Universal Numbering System (DUNS) number applicable to its name and address. The number is to be inserted in the blank below. Offerors should take care to report the correct duns number and not a similar number assigned to the offeror in a different system. The DUNS number is a nine position all-numeric code assigned to a contractor by Dun and Bradstreet. It is distinct from the federal taxpayer identification (tin) number which is required in a different part of this Section k.

Insert DUNS number here:

\_\_\_\_\_  
OFFEROR'S DUNS NUMBER

**K.15 AS 1910 SIGNATURE BLOCK (NOV 1997)**

By signature below, the bidder/offeror certifies that all Representations and Certifications contained in the solicitation are complete and accurate as required; is aware that award of any contract to the bidder/offeror shall be considered to have incorporated the applicable representations and certifications by reference in accordance with FAR 14.201-1(c) or 15.406-1(b), and is aware of the penalties described in 18 U.S.C. Section 1001 and the Program Fraud and Civil Remedies Act of 1986 (31 U.S.C. 3801 - 3812) for making false statements in bids/proposals.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Typed Name

\_\_\_\_\_  
Date

## SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS

### L.1 **HUDAR 2452.215-70 PROPOSAL CONTENT (OCT 1995)**

management part may be evaluated strictly on its own merit.

- a) Proposals shall be submitted in two parts: Part I - Technical and Management; and Part II Price Proposal as described below. Each of the parts must be complete in itself so that the evaluation of each part may be conducted independently, and so the technical and management part may be evaluated strictly on its own merit. Proposals shall be enclosed in sealed packaging and addressed to the office specified in the solicitation. The offeror's name and address, the solicitation number and the date and time specified in the solicitation for proposal submission must appear in writing on the outside of the package. **The submission of both parts shall be mailed in one sealed package.**
- (b) Proposals shall be submitted in **one (1)** original and **four (4)** copies of Part I and **one (1)** original and **two (2)** copies of Part II.

Part I-Technical and Management

#### **(1) Prior Experience**

The offeror shall demonstrate corporate and staff experience in closing sales:

- (a) of FHA single family properties (1-4 units)
- (b) of other single family properties (1-4 units)
- (c) in the geographic location covered by this solicitation

By providing resumes and job descriptions of all key personnel identified on the company's organizational chart sufficient to reflect the experience necessary to perform the work requirements.

For this factor the term "offeror" includes and necessary key personnel, subcontractors, partnerships, etc. that would be necessary to perform the primary services required.

#### **(2) Technical Capability**

The offeror shall:

- (a) submit a realistic plan to safeguard closing proceeds, ensure timely wire transfers and forward closing packages in the manner prescribed in the solicitation;
- (b) demonstrate sufficient internal controls to minimize the potential for misuse for theft of funds relating to the sale of HUD-owned properties.
- (c) demonstrate ability to review title information on single family properties and resolve any routine title issues(e.g. past due taxes and water bills)

#### **(3) Management Capability**

The offeror shall submit a detailed work flow chart and quality control plan that demonstrates an adequately staffed, trained and equipped office (or the ability to establish such) within the contract so as to provide convenient service to HUD and its clients in the area to be served and to carry out all duties as specified in and within the timeframes required by this solicitation.

The offeror shall indicate whether or not they are making offers on other similar HUD solicitations and show how such multiple contract awards would be managed.

#### **(4) Past Performance**

The offeror shall provide evidence of past performance in accomplishing work the same as or substantially similar to that required by the solicitation by providing a list of all clients, Government and private, for whom the offeror has performed such services. Include the names of the contracting office, contract number, total contract value, names of contracting officer and program manager with their telephone numbers.

The offeror must submit a list of at least three business references including names of contact persons, addresses and telephone numbers.

Offerors are encouraged to submit evidence of problems encountered and corrective actions taken as regards past performance history.

##### **Evaluation of Offerors Without Past Performance History**

- (a) HUD will evaluate the past performance of all Offerors. That evaluation will consider the performance of the offeror as a business entity ("corporate" performance) as well as the following information:
  - (1) Proposed key personnel (see Section I, clause 2452.237.237-70);
  - (2) Proposed subcontractors who will perform major or critical aspects of the resultant contract; and
  - (3) The offeror's predecessor company(ies), if any.
- (b) For Offerors who have no corporate history performing services the same as, or substantially similar to, those required by this solicitation, HUD will evaluate past performance information listed in (a) (1) through (3)
- (c) For Offerors who have no past performance history information (including the information listed in (a) above), HUD will assign a neutral rating for the past performance selection factor as follows. No score will be assigned for this factor. The factor will be disregarded. The offeror's total point score for the remaining factors will be divided by the total points available for the remaining factors. The result will be used for comparison with other Offerors' technical evaluation scores in selecting the successful offer for award.

##### **Part II-Price Proposal**

- (1) ***In this section submit Section B, your fixed price offer.***
- (2) The offeror shall complete the Representations and Certifications provided in *Section K* of this solicitation and include them in this Part II.

#### **L.2 NOTICE LISTING SOLICITATION PROVISIONS INCORPORATED BY REFERENCE**

The following solicitation provisions pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the FAR provision at FAR "52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE" in Section L of this solicitation. See FAR 52.252-1 for an Internet address (if specified) for electronic access to the full text of a provision.

NUMBER	TITLE	DATE
<b>52.214-34</b>	<b>SUBMISSION OF OFFERS IN THE ENGLISH LANGUAGE</b>	<b>APR 1991</b>
<b>52.214-35</b>	<b>SUBMISSION OF OFFERS IN U.S. CURRENCY</b>	<b>APR 1991</b>
<b>52.215-1</b>	<b>INSTRUCTIONS TO OFFERORS--COMPETITIVE ACQUISITION</b>	<b>NOV 1999</b>
<b>2452.209-70</b>	<b>ORGANIZATIONAL CONFLICTS OF INTEREST NOTIFICATION</b>	<b>FEB 1987</b>
<b>2452.224-70</b>	<b>FREEDOM OF INFORMATION ACT NOTIFICATION</b>	<b>APR 1984</b>

**L.3     52.216-1 TYPE OF CONTRACT (APR 1984)**

The Government contemplates award of a Firm Fixed Price, Indefinite Quantity contract resulting from this solicitation.

**L.4     52.233-2 SERVICE OF PROTEST (AUG 1996)**

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

Hand-Carried Address:

**The U.S. Department of Housing and Urban Development  
New York Contracting Operations Branch  
26 Federal Plaza - Room 35-120  
New York, NY 10278**

**Attn.: Mr. Edwin T. Steffek, Contracting Officer**

Mailing Address:

**The U.S. Department of Housing and Urban Development  
New York Contracting Operations Branch  
26 Federal Plaza - Room 35-120  
New York, NY 10278**

**Attn.: Mr. Edwin T. Steffek, Contracting Officer**

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

**L.5     52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (FEB 1998)**

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this/these address(es):

For FAR provisions:     <http://www.arnet.gov/far>

For HUDAR provisions:   <http://www.hud.gov>

**L-6.     2452.233-70 REVIEW OF CONTRACTING OFFICER'S PROTEST DECISION (OCT 1999)**

- a. In accordance with FAR 33.103 and HUDAR 2433.103, a protester may request an appeal of the Contracting Officer's decision concerning a protest initially made by the protester to the Contracting Officer. Such requests shall be made in writing to the cognizant Head of the Contracting Activity (HCA, see definition at HUDAR Subpart 2.1) within 10 days (see FAR 33.101 for the definition of "days") of the protester's notification of the Contracting Officer's decision.
- b. The cognizant HCA shall make an independent review of the Contracting Officer's decision and provide the protester with the HCA's decision on the appeal.

**AS 2112 - SPECIAL INSTRUCTIONS REGARDING LOBBYING DISCLOSURES**

If the bidder/offeror is required to complete an SF-LLL, Disclosure of Lobbying Activities (see FAR 52.203-11), the offeror shall obtain the form from the Contracting Officer or Contract Specialist identified in the solicitation.



## **SECTION M - EVALUATION FACTORS**

### **I. TECHNICAL AND MANAGEMENT FACTORS**

#### **Prior Experience 30 points**

The offeror shall demonstrate corporate and staff experience for the last three years in closing sales:

- (a) of FHA single-family properties (1-4 units) **10 points**
- (b) of other single family properties (1-4 units) **10 points**
- (c) in the geographic location covered by this solicitation **10 points**

by providing resumes and job descriptions of all key personnel identified on the company's organizational chart sufficient to reflect the experience necessary to perform the work requirements.

For this factor the term "offeror" includes any necessary key personnel, subcontractors, partnerships, etc. that would be necessary to perform the primary services required.

#### **Technical Capability 30 points**

The offeror shall:

- (a) submit a realistic plan to safeguard closing proceeds, ensure timely wire transfers and forward closing packages in the manner prescribed in the solicitation; **10 points**
- (b) demonstrate sufficient internal controls to minimize the potential for misuse or theft of funds related to fees, closing proceeds, pass-through costs and extension requests; **10 points**
- (c) demonstrate ability to review title information on single family properties and resolve any routine title issues such as past due taxes, water bills, liens, etc. **10 points**

#### **Management Capability 20 points**

The offeror shall submit a detailed work flow chart and quality control plan that demonstrates an adequately staffed, trained and equipped office (or the ability to establish such) within the contract area so as to provide convenient service to HUD and its clients in the area to be served and to carry out all duties as specified in and within the timeframes required by this solicitation.

The offeror shall indicate whether or not they are making offers on other similar HUD solicitations and how multiple contract awards would be managed.

#### **Past Performance 20 points**

The offeror shall provide evidence of past performance in accomplishing work the same as or substantially similar to that required by the solicitation by providing a list of all clients, Government and private, for whom the offeror has performed such services. Include the names of the contracting office, contract number, total contract value, names of contracting officer and program manager with their telephone numbers. Offerors who are newly formed without any past performance data must include reference information for all key personnel. The offeror must submit a list of at least three business references including names of contact persons, addresses and telephone numbers.

Offerors are encouraged to submit evidence of problems encountered and corrective actions taken as regards past performance history.

### **II. PRICE EVALUATION**

For evaluation purposes only, the Government will add together the offeror's proposed price per closing for each year of the contract to arrive at a grand total price.

### **III. RELATIVE IMPORTANCE OF TECHNICAL VERSUS COST/PRICE FACTORS**

(a) The Government will make an award to the responsible offeror(s) whose offer conforms to the solicitation and is most advantageous to the Government (i.e., that which represents the best value to the Government), cost or price and other factors considered. The combined relative merit of the technical evaluation factors listed above will be more significant than cost or price in the selection of the contractor. While the cost or price factor has no numerical weight, it is an important criterion in the overall evaluation of proposals. Furthermore, the proposed cost or price must be considered reasonable and must reflect the proposed technical approach.

(b) The Government may award a contract to other than the lowest priced offer. In the event that two or more offers are considered technically comparable, the evaluated cost or price will be of primary importance in determining the proposal most advantageous to the Government.

### **IV. 52.217-5 EVALUATION OF OPTIONS (JUL 1990)**

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the options(s).